

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: James N. Glerum  
Director of Personnel  
5E-58 Headquarters

EXTENSION

NO

DATE

24 MAR 1983

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TO: (Officer designation, room number, and building)

DATE

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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Registry

Chuck,

Attached is a proposed response to Representative Addabbo on domestic relocation. We have been purposely vague on plans for improving other benefits in the belief that specifics would invite further comments.

*JN*  
James N. Glerum

FORM  
1-79

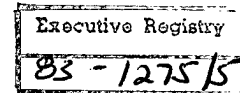
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USE PREVIOUS  
EDITIONS

Central Intelligence Agency



Washington, D.C. 20505



The Honorable Joseph P. Addabbo, Chairman  
Subcommittee on Defense  
Committee on Appropriations  
House of Representatives  
Washington, D.C. 20515

**25 MAR 1983**

Dear Mr. Chairman:

This responds to your letter dated 14 March 1983 concerning domestic relocation expenses. I am pleased with your interest in this issue and assure you that this subject has my personal attention.

Essential to the rebuilding and continued effectiveness of the Nation's intelligence capability is our ability to attract and retain high caliber employees. As both a short- and long-term issue it has become obvious that the traditional incentives for an intelligence career are becoming increasingly less adequate. As the internal manager of CIA, the Executive Director is properly concerned about adverse impacts on employee motivation. In this context, reimbursement of expenses for domestic relocation has become a key factor in staffing domestic field assignments. CIA employees usually establish their stateside residence in the Washington, D.C. area and those involved in operations may serve more than half their careers on rotational assignments elsewhere. When selected for domestic assignments outside the Washington, D.C. area, they frequently incur considerable personal expense with serious impact on morale. Thus, it is becoming difficult to attract employees to domestic field assignments since some simply cannot afford to bear the extra expense.

As indicated in our previous letter, the "out-of-pocket" expense involved in making domestic moves has increased considerably during recent years. The costs associated with selling and purchasing housing and, in some cases, the acquisition of rental quarters have been causing severe financial hardships to Agency personnel. This problem has been exacerbated in more recent years by extremely high interest rates and persistent inflation. The Federal Travel Regulations, as currently constructed, do not address a number of the major expenses involved in real estate transaction, i.e., points, loan origination fees, and the extremely high costs resulting in interest rate differentials.

There are distinct differences between the domestic reassignment of CIA employees and those employees of most other federal agencies. Domestic reassignments in other agencies are negotiated, are usually desired by the employees, and generally result in promotion and permanent change of duty station. For CIA employees, the domestic reassignment serves the needs of the Agency, is part of a career path, does not normally result in promotion and is a temporary

change in station for only two to five years. It is precisely because of these unique differences and the impact it is having on our employees that I believe judicious use of our special authorities may be warranted.

Other Intelligence Community agencies also are facing difficulties in attracting employees to domestic assignments. Both the National Security Agency and the FBI are examining alternative solutions for dealing with this problem, and we are working closely with them to determine whether a common solution is feasible. Different solutions may be required, however, as the needs of these organizations differ from those of CIA.

Again, let me express my appreciation for your interest in the problems of domestic relocation and offer my assurance that we will work with you and your staff on this difficult and complex issue.

Sincerely,

**/s/ William J. Casey**

William J. Casey  
Director of Central Intelligence

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ORIGINATED:

24 MAR 1989  
[Redacted Signature Box]

Director of Personnel

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Date